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A P P E A R A N C E S

FOR THE PLAINTIFF: GEORGE W. ABBOTT
 P.O. Box 98
 Minden, Nevada 89423-98

FOR THE DEFENDANTS: MOXON & KOBRIN
 By: KENDRICK L. MOXON
 3055 Wilshire Boulevard, Suite 900
 Los Angeles, California 90010

ALSO PRESENT: LYNNE SHAPE

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I N D E X

EXAMINATION:	PAGE
By Mr. Moxon	4

E X H I B I T S

NUMBER	DESCRIPTION	PAGE
1	RESPONSES TO DOCUMENTS REQUESTS	5
2	NOTICE OF TAKING DEPOSITION	5

1 BE IT REMEMBERED that on Tuesday, the 12th day of
2 June, 2001, at the hour of 2:00 p.m. of said day, at the
3 offices of HALE, LANE, PEEK, DENNISON, HOWARD & ANDERSON, 777
4 East William Street, Suite 200, Carson City, Nevada, before
5 me, JACQUELINE ADAMS, a notary public, personally appeared
6 GEORGE W. ABBOTT, who was by me first duly sworn and was
7 examined as a witness in said cause.

8
9 -oOo-

10
11 GEORGE W. ABBOTT,
12 called as a witness, having been duly sworn,
13 testified as follows:
14

15 EXAMINATION
16

17 BY MR. MOXON:

18 Q Would you spell your name, sir, for the record?

19 A George W. Abbott, A-B-B-O-T-T.

20 Q Mr. Abbott, you received a subpoena requesting certain
21 documents, and you have -- is that correct?

22 A Yes.

23 Q You handed me when I -- when you came in a document
24 entitled Plaintiff's Responses to Documents Requests. Is this
25 the response to the documents requested?

1 A It is.

2 Q We'll mark this entire -- well, we'll attach it to the
3 transcript as Exhibit One.

4 (Exhibit Number One marked for identification.)

5 BY MR. MOXON:

6 Q I'd like to just go through these separate requests
7 with you one by one if I could. The first request and the
8 Notice of Taking Deposition, which I will mark as Exhibit
9 Two --

10 (Exhibit Number Two marked for identification.)

11 BY MR. MOXON:

12 Q -- requests all documents reflected payment to or
13 disbursements from your or your law firm's trust account
14 referring to, in connection with, or with respect to Gerald
15 Armstrong.

16 As I understand your response, that Exhibit A to your
17 responses contains all the responsive records?

18 A That's correct.

19 Q Do you have any canceled checks? Do you get canceled
20 checks back from your trust account?

21 A The only canceled check that we located -- we're in
22 the process of moving some forty boxes of files. The -- and
23 our canceled check, ninety-thousand-dollar check, is attached
24 to this document. We could not locate the other check for ten
25 thousand dollars, but it is shown on the account sheet.

1 Q Okay, so what's attached -- there's a
2 ninety-thousand-dollar canceled check which you have attached
3 which is made out to you in the amount of ninety thousand
4 dollars from Robert S. Minton, correct?

5 A That's correct.

6 Q Was there a second check for ten thousand dollars?

7 A As indicated on your -- the attachment, the first
8 sheet which has an Exhibit A on it --

9 Q Yes.

10 A -- shows a ten-thousand-dollar check dated November
11 twentieth, '97.

12 Q Did you make a copy of that check?

13 A Excuse me?

14 Q Did you make a copy of that check before you deposited
15 it?

16 A We had made one, Mary could not locate it last week
17 when she put these together.

18 Q All right. Now do you have any canceled checks that
19 you wrote out of this account; your trust account that is?

20 A Yes, we do and should have all of them, yes. Do you
21 want those checks submitted?

22 Q Yes, sir, if you could send those along with me, that
23 would do. Do I understand correctly in looking at this log
24 from your checkbook that the only checks that you wrote with
25 this trust money, this hundred thousand dollars that you

1 received, are listed on these first two pages of Exhibit A?

2 A That's correct.

3 Q The other ten thousand dollars was also received from
4 Robert Minton?

5 A Yes.

6 Q Next to the ten-thousand-dollar spot on your check log
7 you have R-O-A. What does that mean?

8 A Received on account.

9 Q All right. I don't see a balance here, a running
10 balance. Is there a still a balance of funds left in the
11 trust account?

12 A This is what I received. I can't tell you. I believe
13 the account -- the George W. Abbott Chartered Trust Account
14 was closed when the Abbott Trust succeeded it.

15 Q What happened to the remaining money that was in the
16 account?

17 A Excuse me?

18 Q What happened to the remaining money that was in the
19 trust account when the Abbott Trust succeeded this account?

20 A The funds in the George W. Abbott Chartered Trust
21 Account all belonged to George W. Abbott, and it was suggested
22 that I transfer it to an account which did not suggest by its
23 title that there were clients' funds in that.

24 On my sixty-fifth birthday in 1988 I made a decision
25 to not receive any clients' funds to hold them in trust. The

1 Abbott Trust is a trust in which my three children, their
2 mother, and myself are beneficiaries, and that is again one
3 hundred percent funds owned by George Abbott.

4 Q So all the remaining money that was in your trust
5 account which you provided to me was transferred to your
6 Abbott Trust account?

7 A I believe that to be the case, yes.

8 Q Was that fees that you earned in this action with
9 Gerald Armstrong?

10 A Yes, uh-huh.

11 Q Okay. So just to clarify that --

12 A The hundred thousand dollars from Minton was a
13 nonreimbursable retainer.

14 Q Okay, correct me if I'm wrong. Then as I understand
15 it, you received a hundred thousand dollars from Mr. Minton?

16 A Yes.

17 Q Some of which you disbursed as reflected on the two
18 pages of your trust account ledger that you provided --

19 A Twenty thousand dollars to Mr. Armstrong.

20 Q And the remainder went to you as a fee?

21 A Excuse me?

22 Q The remaining eighty thousand dollars went to you as a
23 fee?

24 A Yes, sir.

25 Q Do you hold any funds in trust for Gerald Armstrong at

1 present?

2 A No, none.

3 Q Did you have an agreement with Mr. Minton with respect
4 to the use of the funds that he gave you?

5 A I had knowledge. I have never talked to him.

6 Q How did you know it was a nonreimbursable retainer?

7 A I specified that to Mr. Armstrong and the check showed
8 up in an envelope with no other communication, the check of
9 which you have a copy.

10 Q How do you know the twenty thousand dollars was for
11 Mr. Armstrong and eighty thousand for you?

12 A Well, there was none for Mr. Armstrong except what I
13 thought he could use from time to time in Canada.

14 Q So there --

15 A There was no specific indication. The entire hundred
16 thousand was mine and it was to be paid to help him out.

17 Q But you never spoke to Mr. Minton at all?

18 A No.

19 Q Did you ever have any written communication with him?

20 A No, other than I indicated here that we did -- Mary in
21 the office was asked to send a copy of the Complaint. That's
22 the only communication that came out of my office that I'm
23 aware of.

24 Q A copy of the check that you provided to us from
25 Robert Minton simply says on the memo for Gerry Armstrong.

1 A Yes, uh-huh.

2 Q How did you learn that the money that you received
3 from Mr. Minton was to be divided in any way you saw fit?

4 A From the condition that I had made with Gerry and
5 that's what was followed. He was aware of that.

6 Q I see. Was there any written agreement to that
7 respect?

8 A None, no, I don't believe so.

9 Q Do you have any retainer agreement with Mr. Armstrong?

10 A Excuse me?

11 Q Do you have a retainer agreement with Mr. Armstrong?

12 A No.

13 Q Any contract of any sort with Mr. Armstrong?

14 A No.

15 Q So everything was just verbal?

16 A Yes, uh-huh.

17 Q Did you keep your record of the hours you spent on the
18 case?

19 A Up to about the first four hundred hours, yes, and the
20 later exchanges of motion documents we have a partial record I
21 believe.

22 Q Is there another page to your trust ledger that you
23 didn't provide to us?

24 A Are you referring to Exhibit A?

25 Q Yes, sir. The reason I ask is that the disbursements

1 here are considerably less than a hundred thousand dollars.

2 A I don't understand your question.

3 Q Well, there's two pages of a trust ledger that you
4 provided.

5 A Yes.

6 Q And the -- I haven't added them up with a calculator,
7 but just a rough estimate of these would be about twenty-two
8 thousand dollars.

9 A This --

10 Q So my question is, is there another trust ledger that
11 would reflect the remainder of that money, the approximately
12 seventy-eight thousand dollars that --

13 A None of that went to Armstrong matters. Yes, I'm sure
14 there is.

15 Q It went to other matters?

16 A Excuse me?

17 Q The remainder of that money went to other matters?

18 A Yes, my money, yes, uh-huh.

19 Q Tell me how the understanding came about with
20 Mr. Armstrong that twenty thousand dollars of it would go to
21 him and eighty thousand dollars of it would be used for you --

22 A Well, I asked him at the outset what he felt he would
23 need; and he said five thousand dollars from time to time.
24 And I said well, you know, at my present rate of fees and the
25 way this case is, I would like to keep as much of that hundred

1 thousand as can be.

2 Gerry Armstrong indicated to me at the time that he
3 has minimal expense coming back and forth from British
4 Columbia, and I said we'll help you out where we should and
5 settled at that time on twenty -- I said up to twenty thousand
6 dollars.

7 And there were a couple of other instances where he
8 asked for five hundred as I recall -- I think they're
9 reflected in the ledger that you have.

10 Q Was the money that you paid to Mr. Armstrong a gift?

11 A I -- I -- I think yes, uh-huh.

12 Q He didn't submit any bills to you, did he?

13 A Excuse me?

14 Q Mr. Armstrong did not submit any bills to you, did
15 he --

16 A No.

17 Q -- for payment?

18 A No.

19 Q I have a little trouble understanding how the
20 relationship worked with the money and how the agreement was
21 with the money.

22 Did Mr. Armstrong indicate that he had -- he had
23 access to funds from Mr. Minton? Did Mr. Armstrong indicate
24 to you that he had access to funds from Robert Minton?

25 A At some point he -- when I received the check, I said

1 to him of course how did this come about. And he said
2 Mr. Minton is interested in assisting people who consider
3 themselves offended by the Church of Scientology.

4 And the ninety-thousand-dollar check as I say arrived
5 in the mail in apparently Minton's longhand and with no
6 indication of what its history was.

7 Q So it was your understanding that Mr. Minton wanted to
8 pay for the cost of the lawsuit?

9 A Yes, uh-huh.

10 Q And to basically pay for any attack so to speak
11 against the Church of Scientology in a legal fashion?

12 A Well, I had told Mr. Armstrong that during a -- for
13 example, during an eight-month period, kind of bracketing, is
14 my income was about two hundred thousand dollars. These were
15 on cases in federal court in Wyoming and Colorado and so on.

16 And I told him in looking at the history, and I had
17 spent about a year and a half on finding out about
18 scientology, that I thought this was surely a
19 two-hundred-thousand- to two-hundred-and-fifty-thousand-dollar
20 retainer.

21 When I read of ten or eleven years of motion papers
22 filed by Scientology, I had the clear picture that this was
23 going to be an extended litigation. And from that discussion
24 came a hundred thousand dollars.

25 Q I see. So you told Mr. Armstrong that you'd need at

1 least a hundred thousand dollars --

2 A Yes.

3 Q -- to litigate the case?

4 A That's correct.

5 Q And he told you that Mr. Minton would be happy to pay
6 for that?

7 A He did not tell me that. The check showed up. Well,
8 he didn't tell me that in advance of the check showing up.
9 Obviously they had come from Mr. Minton and I said this is
10 kind of unusual, in the mail with no explanation.

11 It was not rejected at the moment and I don't say that
12 lightly, but I had endeavored to find out mostly from press
13 clippings about Mr. Minton, and there were some press
14 clippings, and the characterization of Mr. Minton's role came
15 mostly from Scientology or one of its satellites.

16 Q Did you learn then from Mr. Armstrong that it was
17 Mr. Minton's desire to have lawsuits filed against various
18 Churches of Scientology?

19 A No, this case interested him because of the nature of
20 our pleadings. And Gerry apparently in advance of the
21 pleadings being put together with exhibits did give Mr. Minton
22 some of the exchanges that we had had with -- that I had had
23 during a year ahead of our filing the suit. Beyond that I
24 don't know what else Mr. Armstrong supplied to Mr. Minton.

25 Q But Mr. Minton had a copy of the drafted Complaint

1 before it was filed?

2 A No, I don't believe he did. We sent him a copy of the
3 Complaint as it was filed. I have no knowledge of -- and I'm
4 sure that I would have for the simple reason that the draft
5 was completed on the twelve hours before we filed it in
6 November.

7 Q And he sent you the money then after the Complaint was
8 filed, Mr. Minton?

9 A Well, one of the checks -- the ten-thousand-dollar
10 check I believe came just before or --

11 Q I see, November twentieth, that's right.

12 A That would have been at the date or just prior to the
13 filing of it.

14 Q So you didn't require the retainer in advance of
15 filing the case?

16 A No, I did not. In fact, I did not know that there
17 would be more than ten thousand dollars at the time I received
18 that.

19 Q What confuses me is that I understand that when you
20 were talking to Mr. Armstrong about the nature of the case and
21 how much you thought it would cost, it could be as much as a
22 couple hundred thousand dollars?

23 A What my fees would be in such a case, yes.

24 Q Right. But you didn't get the ten -- but you only had
25 ten thousand dollars when you filed the Complaint?

1 A That's correct.

2 Q Did you understand that Mr. Armstrong would be paying
3 you further money in the future?

4 A No, I did not. No, I did not.

5 Q So the ninety thousand came out of the blue?

6 A You know, I've been practicing law for fifty years now
7 plus. But at this stage of it, I was doing a good deal of
8 pro bono, and I've sort of been lampooned by your associates.
9 And I considered this Gerry's case worth whatever ability I
10 could bring to it.

11 And I would have done it for nothing, because the
12 author of The Great Scientology -- and it may seem -- among
13 other reasons, it was that he was a Nebraskan, and what that
14 man did during the eleven years that Gerry Armstrong was with
15 him I should say convinced me that this man needed help.

16 The awesomeness, the picture of Scientology told me it
17 was going to be a tough, long drag for someone when I started
18 it. Bear in mind that Gerry Armstrong, as record will show
19 that you must have reviewed, was concerned about his life.

20 Q Well, we can dispute that, but --

21 A Well, I understand that, but that was the view that I
22 had, I was convinced of it. His presence in Nevada or
23 California, particularly California, would present his chance
24 of immediate arrest on what I considered to be a bogus claim
25 from -- through Mr. Wilson in San Francisco, and I think by

1 your firm a little bit.

2 So he spent very short stays sleeping in my office or
3 at our home on Foothill and then getting back to British
4 Columbia. So I did not -- he was not that readily available
5 at all times. But after the Complaint was filed, there was a
6 base upon which we could proceed and that's what we did.

7 The second check which came a little after the filing,
8 a few days after the filing, very frankly surprised me. It's
9 a type of matter where I had had other fees of the same size
10 promised or paid, and that aspect of it did not surprise me.

11 Q Was there an agreement at the time that the second
12 check came in that Gerry Armstrong would get twenty thousand
13 dollars out of that ninety thousand?

14 A I don't know whether they upped to twenty or
15 twenty-five thousand dollars -- whether it was a question --
16 Gerry -- whether it was a question of Gerry saying it should
17 be done for twenty thousand dollars; I don't think that figure
18 was ever used.

19 And I must have introduced the up to
20 twenty-thousand-dollar matter to him early on, because he was
21 moving at the time out of California and had expenses which
22 educated to me his desirability of getting out of reach and
23 into Nevada, and then ultimately back to British Columbia from
24 time to time was sharpened when we filed the Complaint, his
25 desire to get back to British Columbia to protect himself.

1 Q The money that this hundred thousand dollars was
2 deposited into, is that the George W. Abbott Chartered Trust?

3 A That -- initially, yes.

4 Q And was that actually an attorney-client trust
5 account?

6 A No, none of the funds in that -- for my sixty-fifth
7 birthday I announced to the office personnel that I would not
8 receive trust account funds from that date.

9 There were three major cases, Scientology was one of
10 them which was budding, and those three cases were sufficient
11 to occupy my full time. And at my sixty-fifth birthday, I
12 wanted to not have further trust account funds.

13 Q What was the other case you were handling?

14 A Pardon?

15 Q What was the other Scientology case you were handling?

16 A No, I say the other cases -- that I had three cases,
17 one of which was Scientology.

18 Q Oh, and that's this case, the Armstrong case?

19 A Yes, uh-huh.

20 Q Okay.

21 A The other two cases, one was in Wyoming against Union
22 Pacific Railroad and a couple of others, and also a case that
23 was filed in the city of Rome against the city of Rome,
24 Republic of Italy. And those two cases in addition to this
25 one were surely to occupy my time.

1 Q But the hundred thousand dollars you received from
2 Mr. Minton was applied on account -- on Gerry Armstrong's
3 account, correct?

4 A Excuse me?

5 Q It was applied to Gerry Armstrong's account; is that
6 right?

7 A Well, whatever the -- the funds were my funds in the
8 office and they went to whatever they might be drawn for.
9 Included was to pay the cost of filing and of service and so
10 on for Gerry Armstrong, yes.

11 Q You've indicated in your ledger received on account;
12 so do I correctly understand that the hundred thousand dollars
13 was received on account for Gerry Armstrong?

14 A It was -- no, I don't know -- when you say on account,
15 it was received by me as a nonreimbursable retainer. Gerry
16 paid some of his expenses. Where he couldn't pay them, we
17 paid them.

18 Q Again, just to clarify, there was no agreement with
19 Mr. Armstrong with respect to whether or not the retainer was
20 reimbursable or not; is that right?

21 A He accepted it as nonreimbursable.

22 Q And the reason I ask you that is there was a
23 deposition taken of Mr. Armstrong in another case in Florida a
24 couple of years ago where he -- he was asked what happened to
25 the money that Mr. Minton had given to him, if there was any

1 left, and he said I assume so, whatever's left will be
2 returned.

3 A Excuse me, I can't --

4 Q Mr. Armstrong said he assumed that whatever money was
5 left from the one hundred thousand dollars would be returned.

6 A Well, I -- I have no knowledge of that testimony by
7 him.

8 Q But would such testimony be false or --

9 A Excuse me?

10 Q If that's his testimony, would that be false?

11 A Well, I -- I don't know under what circumstances.
12 There was no agreement to return it.

13 Q In Nevada is it required that you have a written
14 retainer agreement with a client?

15 A I don't believe it's required. This was an instance
16 where it might well have been.

17 Q Might well have been a good idea you mean?

18 A Yes, uh-huh, in view of what happened.

19 Q Did you have other trust monies in the George
20 W. Abbott Chartered Trust Account?

21 A All of the monies in the George W. Abbott Trust
22 Account were monies belonging to me.

23 Q Okay. Did you have a separate trust account,
24 attorney-client trust account?

25 A No. That was the point I was trying to make earlier;

1 as of my birthday in 1988.

2 Q Okay, I understand. Did you previously use the George
3 W. Abbott Chartered Trust Account for attorney-client trust
4 funds?

5 A I believe -- I don't believe so.

6 Q Did you previously have a different attorney-client
7 trust account?

8 A No.

9 Q You'd never had an attorney-client trust account?

10 A It may have been at the outset in that -- in a few
11 years before 1988. No, sir.

12 Q How do you know -- how -- that is, how do you keep
13 track of client trust funds if you don't have a trust account?

14 A I had no client trust fund. I would not accept
15 client --

16 Q For example, if you get a retainer -- you must have
17 gotten retainers from clients that you would bill against?

18 A My Wyoming case was not a retainer, my city of Rome
19 and Republic of Italy was not a retainer case.

20 Q But I mean years past, in the 1980s, did you have
21 other cases where you --

22 A Where I had a case, the client would be told what the
23 filing fee was and that amount of money would have needed to
24 be paid as a filing fee, as were other expenses.

25 Q All right. So you never -- just to clarify, because

1 it's unusual for me; we can't do it that way in California,
2 but we have to have attorney-client trust accounts, and if we
3 receive any monies from a client that's to be billed against
4 or used for costs, it goes into our trust account. You don't
5 do that?

6 A There was a cash-in and immediate cash-out. There was
7 a -- there was a rule passed in 1990 roughly that encouraged
8 to establish trust accounts under certain circumstances.

9 And at that time, anticipating the need for complying
10 with that rule, I examined it and still found that I would
11 have that trust account but not have any funds belong to a
12 client.

13 Q Has Mr. Armstrong asked you for any money in the past
14 year?

15 A In the past year?

16 Q Yes, sir.

17 A I don't -- I don't -- I can't tell you within the past
18 year.

19 Q The past two years?

20 A I think so, yes.

21 Q Did you provide Mr. Armstrong any money in the past
22 two years?

23 A I don't recall; whatever the record would show, and
24 the record does not show a payment to him, so he did not
25 receive funds -- or at least it hasn't been located in the

1 record that Mary prepared.

2 Q When did you transfer the money from the George
3 W. Abbott Chartered Trust into the Abbott Trust?

4 A The Abbott Trust was opened in August of '98 I
5 believe, and that's when funds were transferred to that
6 account.

7 Q Were all the funds that you received from Mr. Minton
8 that you had left in August of 1998 transferred to the Abbott
9 Trust?

10 A If there were any left, yes, I believe so; I'm not
11 certain.

12 Q Now where did the money come from for all the other
13 payments that you made in this case after 1998?

14 A What are you referring to; in the exhibit?

15 Q Yes, page two of your trust ledger indicates that in
16 July eighth, 1999, you gave Mr. Armstrong five hundred
17 dollars, and thereafter there are several hundred dollars of
18 other costs that you paid out of your --

19 A That would have been a part -- that would have been a
20 part of the initial nonreimbursable retainer fund.

21 Q But those payments were made all the way through
22 December of the year 2000?

23 A Yes, uh-huh.

24 Q Is this -- so you didn't transfer all of the money
25 from Mr. --

1 A No, there -- from --

2 Q -- into your --

3 A From 1998 on when the George W. Abbott Trust was -- or
4 the Abbott Trust rather was substituted for the George
5 W. Abbott Trust, the funds came from the Abbott Trust.

6 Q Okay, so you're saying that the payments after August
7 of 1998 that are reflected in this ledger were not from the
8 George W. Abbott Trust but rather they were from the Abbott
9 Trust?

10 A Yes, uh-huh, after I -- roughly looking at it, I see
11 an 8-26-98 on the second page, Peggy Hoogs & Associates, that
12 would have been, if not in the eighth month, then in September
13 of that year, that would have come from the Abbott Trust.

14 Q So the document that you've given me isn't a ledger
15 for a single account; is that --

16 A No, that's indicated on -- in our -- well, Mary's
17 response deposits and disbursements under Response to Request
18 Number One, see attached Exhibit A listing deposits to and
19 disbursement from the George W. Abbott Chartered Trust account
20 and the successor with respect to Gerald Armstrong.

21 So that beginning in about August or September of '98,
22 the funds that came through -- that were paid to Armstrong
23 interest were from the Abbott Trust.

24 Q Were there any deposits made to the George W. Abbott
25 Chartered Trust other than the money from Mr. Minton?

1 A Oh, yes. Oh, the George W. Abbott Trust?

2 Q Yes, sir.

3 A Yes, there would have been other retainers or costs
4 advanced, yes.

5 Q Are all the expenses that you have listed in these two
6 ledger pages all for Gerald Armstrong's case?

7 A Say again.

8 Q Are the two pages of this ledger that you've given me,
9 are all of these expenses for or on behalf of Mr. Armstrong?

10 A Yes.

11 Q But you tell me you had other funds that were in this
12 trust account in addition to Mr. Armstrong funds, correct?

13 A Yes, uh-huh.

14 Q But you didn't -- you didn't spend any money except
15 for Mr. Armstrong out of this trust account?

16 A Oh, no, I didn't say that at all. Whatever Armstrong
17 funds -- whatever funds were expended in Mr. Armstrong's
18 interest up until August or September, whatever it was in '98
19 came from the George W. Abbott Chartered Trust.

20 Q Right. Do you have other ledger sheets that have
21 other amounts listed that were expended from this account?

22 A I'm sure the office has other ledger sheets.

23 Q When you say the office, it's just you and your wife,
24 correct?

25 A Yes, uh-huh.

1 Q Did your wife prepare this ledger sheet for the
2 purpose of complying with the subpoena?

3 A No, it was -- it existed before we ever got the
4 subpoena.

5 Q Was this created during a period of years
6 contemporaneously with these expenditures?

7 A Yes, uh-huh.

8 Q Okay, the thing I don't understand about it then is
9 why there are no other expenditures out of this account during
10 the period of November 1997 when the ledger starts and
11 December 2000 when it ends except for Mr. Armstrong.

12 A This is not a ledger sheet for the entire account,
13 this is a ledger sheet for Mr. Armstrong only. Client's name,
14 Gerald Armstrong, at the top of the sheet.

15 Q Okay.

16 A With the case name itself, Church of Scientology.

17 Q Does part of the hundred thousand dollars provided by
18 Mr. Minton still exist in the Abbott Trust?

19 A I can't tell you. I don't know.

20 Q Does the Abbott Trust have any funds in it other than
21 the monies that came from Mr. Minton?

22 A Yes, whatever money came in as income would be in the
23 Abbott Trust.

24 Q Is it an actual trust with trustees and --

25 A Yes, uh-huh.

1 Q Who are the trustees?

2 A The -- I am one, Mary Abbott is another, and the three
3 children are the other three trustees.

4 Q Are beneficiaries --

5 A Excuse me.

6 Q Are beneficiaries identified for the trust?

7 A Yes, uh-huh.

8 Q Who are the beneficiaries?

9 A Those are the same people without exception.

10 Q With what?

11 A I say with the -- the ones that I just named including
12 Mary and myself and the three children.

13 Q Did you say there was an exception?

14 A No, I said without exception, they are the same. I'm
15 sorry.

16 Q I see, thank you. Who were the signatures on the
17 trust, the Abbott Trust?

18 A Mary Abbott and myself.

19 Q And either of you has full authority to make
20 expenditures from the trust?

21 A That's correct.

22 Q So it's really treated as a bank account?

23 A Yes, uh-huh.

24 Q Okay.

25 A This arrangement from the time of the George W. Abbott

1 Trust to the Abbott Trust itself was the subject of an inquiry
2 by the Nevada Bar Association. And when the second trust came
3 into being, that cleared apparently their approval.

4 And an examination on the treatment of those funds and
5 the use of the funds, they claimed that there were no clients'
6 funds in the George W. Abbott Trust and there were none in the
7 Abbott Trust itself was confirmed or accepted by the state
8 bar; a very lengthy inquiry that came from another client.

9 So it was examined into and resulted in the Abbott
10 Trust coming into being on the same basis, to hold it for the
11 trustee.

12 Q So a client other than Gerry Armstrong made a Bar
13 complaint?

14 A Pardon?

15 Q Did a client other than Gerry Armstrong make a Bar
16 complaint?

17 A Yes, uh-huh.

18 Q And the Bar investigated it?

19 A Yes, uh-huh.

20 Q Did you get a letter from the Bar telling you that the
21 Complaint was closed?

22 A Yes, uh-huh.

23 Q Have you ever had any written communications with
24 Mr. Minton of any kind?

25 A Say again. I'm having trouble hearing you.

1 Q Did you have any written communications with
2 Mr. Minton of any type at all?

3 A Asked and answered; no, I have not.

4 Q Did anyone on Mr. Minton's behalf ever communicate
5 with you?

6 A No.

7 Q Have you ever had any e-mail correspondence with
8 Mr. Minton?

9 A None.

10 Q Did you seek approval from Mr. Armstrong to transfer
11 the money from the chartered trust into the Abbott Trust?

12 A No.

13 Q Did you request Mr. Armstrong's approval to pay any
14 fees to yourself?

15 A No.

16 Q Do you have any idea how much of Mr. Minton's money
17 remains?

18 A Excuse me?

19 Q Do you have any idea how much of the money that
20 Mr. Minton gave you remains?

21 A I tried to answer that question before. No, I do not.

22 Q Do you possess any other property or possess any
23 property belonging to Gerald Armstrong?

24 A None.

25 Q Mr. Armstrong doesn't live in Minden, does he?

1 A No.

2 Q Did he ever live in Minden?

3 A Yes, he lived at my home and established his driver's
4 license in Nevada. Then an action went forward in Marin
5 County, California, and Gerry on his own decided that his life
6 was not safe in California or Nevada, went back to British
7 Columbia.

8 Q He didn't feel his life was safe because there were
9 warrants out for his arrest?

10 A Yes, uh-huh.

11 Q Does Mr. Armstrong have any --

12 A By the way, the method of getting the warrants for his
13 arrest ought to be taught in every law school in the United
14 States of how to defeat giving notice as you're required to;
15 just a little side bar there.

16 Q Well, maybe Mr. Armstrong should go back and fight it.

17 A Excuse me?

18 Q Maybe he should go back and litigate it if he wants
19 to.

20 A That has been in the making.

21 Q Oh, yeah? Where is that?

22 A Pardon?

23 Q By you?

24 A Yes, uh-huh. I don't know what else he's doing, but
25 I'm doing it.

1 Q Does Mr. Armstrong have any bank accounts in Nevada?

2 A Not to my knowledge. I don't know is the answer of

3 course.

4 Q Are there any joint bank accounts with you and

5 Mr. Armstrong in this state?

6 A None.

7 Q If you could produce the other -- the check which

8 transferred the funds from Mr. Minton from the Abbott

9 Chartered Trust into the Abbott Trust, I'd appreciate that.

10 Could you do that?

11 A Yes, if that exists. Now you say a check --

12 Q It wasn't really transferred, you just changed the

13 name of the account?

14 A Whatever -- that's what I think -- it may have been

15 simply by documentation, yes. I don't know, but I'll find

16 whatever it was.

17 Q Is there a bank account for the Abbott Trust?

18 A Oh, yes, yes, of course.

19 Q And there was a bank account for the Abbott -- George

20 W. Abbott Chartered Trust?

21 A Yes, uh-huh, an in-and-out account, no clients' fees.

22 Q Do you know if the bank account that had the name

23 George W. Abbott Chartered Trust still exists?

24 A I do not.

25 Q Your wife would know that?

1 A Yes, uh-huh, sure.

2 Q She's your accountant?

3 A Yes, I would say that she does it basically. She has
4 some assistance of course.

5 Q Let me take a break for a minute.

6 (Recess taken.)

7 BY MR. MOXON:

8 Q Did Mr. Armstrong tell you anything else about
9 Mr. Minton's intentions for this case?

10 A Can you speak up a little, please.

11 Q Did Mr. Armstrong tell you anything else about
12 Mr. Minton's intentions for the lawsuit you filed on behalf of
13 Mr. Armstrong?

14 A This particular lawsuit?

15 Q Yes, sir.

16 A Not that I recall, except a general comment that this
17 is -- his concern is about the Church of Scientology.

18 Q Minton's?

19 A Yeah, Minton's, and particularly in his threats to
20 Gerry's life, or the feeling that Gerry had that his life was
21 threatened.

22 Q From the warrants?

23 A Excuse me?

24 Q From the warrants?

25 A Oh, no, oh, no, not from that alone. That had come up

1 from his experience in Boston and his attorneys in Boston
2 years earlier. It had been his impression, Gerry's
3 impression, because he was a person who knew about the
4 founders of the so-called church, that no one else --

5 Q No, I'm talking about Minton's intentions.

6 A I understand that.

7 Q Did Gerry tell you anything else about Minton's
8 intentions?

9 A No, he did not.

10 Q Did you have any communications with anyone else about
11 Mr. Minton's intentions?

12 A No, no.

13 Q Did Gerry introduce you to any of his friends or
14 associates?

15 A Of Minton's, no.

16 Q How about to Gerry's friends or associates?

17 A Excuse me?

18 Q Did Gerry Armstrong introduce you to any of his own
19 friends or associates for purpose of assisting in this case?

20 A No, no.

21 Q So the only -- really the only person you know that
22 you've spoken to in relation to Scientology is Gerry
23 Armstrong?

24 A Gerry Armstrong's the only person --

25 Q That you've spoken to or dealt with --

1 A About Scientology?

2 Q Yes.

3 A God, I've spoken with dozens of people when I mention
4 it, or they come to me.

5 Q Who else has come to you?

6 A Local people.

7 Q Like who?

8 A Ted Colby (phonetic), now deceased was -- for openers.
9 About Scientology. I can supply that to you.

10 Q Were these clients?

11 A Excuse me?

12 Q Were any of these people clients?

13 A Some of them, yes.

14 Q Living in Nevada?

15 A Nevada and elsewhere, yes.

16 Q Do you represent anyone else now with respect to the
17 Church of Scientology?

18 A No.

19 Q Do you still represent Mr. Armstrong?

20 A Yes.

21 Q This lawsuit's over though completely, isn't it?

22 A Excuse me?

23 Q This lawsuit's completely finished, isn't it?

24 A I don't think so. I don't think so. Marin County is
25 still being pieced together.

1 Q You still represent Mr. Armstrong with respect to
2 what's happening in Marin County?

3 A Yes, uh-huh.

4 Q Is Mr. Minton going to pay you for that?

5 A I have no idea. I'm not asking that he pay me. When
6 I started the lawsuit, I wanted to finish it.

7 Q Did you start a lawsuit in Marin County?

8 A No, I started the lawsuit for Gerry Armstrong's what
9 I'm referring to. And one of the off branches, your church,
10 church in quotes, was Marin County.

11 Q You still have money on account anyway --

12 A Pardon?

13 Q You still have money on account anyway, don't you?

14 A I don't know whether we do or do not.

15 Q Who would know that?

16 A Pardon?

17 Q Who would know that?

18 A Mary would know from the books.

19 Q What other books are there that you would look to to
20 determine whether or not --

21 A The -- all that you have seen is what the amounts that
22 were paid out in Armstrong. What was left of what was paid
23 out otherwise I don't know. But there was surely from the
24 ninety thousand dollars left at some point certainly beyond
25 Armstrong certainly is what I'm saying.

1 Q If Mr. Armstrong asked you for this money back to pay
2 a judgment, would you give it back to him?

3 A No, I would not now. I'd try to help him out, yes.

4 Q How do you mean?

5 A If he had money -- if he needed money I would try to
6 help him out, but he -- he is not entitled to it and that was
7 discussed with him and he knows that.

8 Q But he did ask for some of it back within the past two
9 years, correct?

10 A No, no, he did not.

11 Q He just asked you for a gift of money?

12 A No, he asked -- he said that he could use help while
13 he was in British Columbia, yes..

14 Q Have you maintained communication with him recently?

15 A The last time I talked with him he was going to
16 Russia, and that I would say was about four weeks, maybe six
17 weeks ago.

18 Q Do you know if Mr. Armstrong is being paid to go to
19 Russia?

20 A I have no idea.

21 Q Do you know if he provided any money to the Lisa
22 McPherson (phonetic) Trust?

23 A Excuse me?

24 Q Do you know if Gerry Armstrong provided any money to
25 the Lisa McPherson Trust?

1 A I do not know. Highly unlikely by the way.

2 Q Why?

3 A Gerry Armstrong doesn't have money. I mean, to my
4 knowledge he does not.

5 Q How is he paying for his trips to Russia?

6 A I have no idea. Probably the same way he was paid to
7 go to Germany and to other countries. Someone has helped him
8 out. Airlines cost money and living there costs money. He's
9 not getting it from the Church of Scientology.

10 Q Well, I know that. Okay, well, we'll finish off for
11 now and you'll provide us these other documents?

12 A Yes, sir, I will get right on that.

13 Q And if you want, we can reschedule for another time to
14 get the other documents.

15 A Sure, all right.

16 Q Do you have a phone where I can reach you or --

17 A I do. 265-2456 is one, and 265-3047 is the other.
18 And if a two- to eleven-year-old answers the phone, cut the
19 conversation short and let me at them.

20 (Off-the-record discussion.)

21 BY MR. MOXON:

22 Q What we can do then is you can call me or contact
23 Mr. Flanagan when these other documents are put together.

24 A All right.

25 Q And then at that time we'll arrange a -- to meet you

1 again, all right?

2 A Yes, and will you give me another card, please.

3 Q As you know, you'll have an opportunity to review this
4 transcript when it's completed, and the court reporter will
5 contact you when it's completed.

6

7

8 (Proceedings adjourned.)

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GEORGE W. ABBOTT

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1 STATE OF _____)
2 : ss.
3 COUNTY OF _____)

4

5 I, _____ a notary public in
6 and for the County of _____, State of
7 _____, do hereby certify:

8 That on the _____ day of _____, 2001,
9 before me personally appeared GEORGE W. ABBOTT, the witness
10 whose deposition appears herein;

11 That the deposition was read to or by him;

12 That any changes in form or substance desired by
13 him were entered upon the deposition by me with a statement of
14 the reasons given by the witness for making them;

15 That he thereupon signed the deposition.

16 Dated: At _____, this
17 _____ day of _____, 2001.

18

19

20

NOTARY PUBLIC

21

22

23

24

25

1 STATE OF NEVADA)
2) ss.
3 COUNTY OF WASHOE)
4
5

6 I, JACQUELINE ADAMS, a notary public in and for
7 the County of Washoe, State of Nevada, do hereby certify:

8 That on Tuesday, June 12th, 2001, at the offices
9 of HALE, LANE, PEEK, DENNISON, HOWARD & ANDERSON, 777 East
10 William Street, Suite 200, Carson City, Nevada, personally
11 appeared GEORGE W. ABBOTT, who was sworn by me, and was
12 deposed in the matter entitled herein;

13 That said deposition was taken in stenotype notes
14 by me, a Certified Shorthand Reporter, and thereafter
15 transcribed into typewriting as herein appears;

16 That the foregoing transcript, consisting of
17 pages 1 through 39, is a full, true and correct transcription
18 of my stenotype notes.

19 DATED: At Lake Tahoe, Nevada, this 19th day
20 of June, 2001.

21
22
23 Jacqueline Adams
JACQUELINE ADAMS, CSR #278
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25